

**** THE INFORMATION CONTAINED IN THIS ANNOUNCEMENT IS RESTRICTED AND IS NOT FOR PUBLICATION, DISTRIBUTION OR RELEASE, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES OF AMERICA, AUSTRALIA, CANADA, JAPAN, NEW ZEALAND, THE REPUBLIC OF SOUTH AFRICA OR ANY OTHER JURISDICTION WHERE TO DO SO WOULD BE UNLAWFUL OR WOULD REQUIRE REGISTRATION OF SECURITIES OR OTHER MEASURES ****

The information contained in this announcement is not a prospectus and does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of any securities of Arabian Mills for Food Products Company in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration, exemption from registration or qualification under the securities laws of any jurisdiction, including in or into the United States, Australia, Canada, Japan, New Zealand or the Republic of South Africa.

Neither this announcement nor anything contained herein shall form the basis of, or be relied upon in connection with, any offer or commitment whatsoever in any jurisdiction. Any offer to acquire shares pursuant to the proposed Offering (as defined below) will be made, and any investor should make his investment decision solely on the basis of the information that is contained in the formal offering documents to be published by Arabian Mills for Food Products Company in due course in connection with the listing and trading of its ordinary shares on the Main Market of the Saudi Exchange.

PRESS RELEASE

1 September 2024G



ARABIAN MILLS FOR FOOD PRODUCTS COMPANY ANNOUNCES ITS OFFERING PRICE RANGE AND COMMENCEMENT OF INSTITUTIONAL BOOK BUILDING

Arabian Mills for Food Products Company ("**Arabian Mills**" or the "**Company**"), one of the market-leading flour milling companies in the Kingdom of Saudi Arabia ("**KSA**" or the "**Kingdom**"), announces today the price range for its Initial Public Offering ("**IPO**" or the "**Offering**") as well as the commencement of the institutional book building period for Participating Parties.

The price range for the Offering has been set between SAR 62 and 66 per share (the "**Price Range**"). The total Offering size is expected to be between SAR 954 million and 1,016 million (US\$ 255 million and 271 million), implying a market capitalization ranging between SAR 3,182 million and 3,387 million (US\$ 848 million and 903 million).¹

The institutional book-building period commences today, 1 September 2024G, and will close at 5:00 PM KSA time, on 5 September 2024G. The final price of the Offer Shares will be determined at the end of the book-building process.

On 24 June 2024G, the Capital Market Authority (the "**CMA**") announced its approval of the Company's application for registering its share capital and the Offering of fifteen million three hundred and ninety-four thousand five hundred and two (15,394,502) ordinary shares ("**Offer Shares**"), representing 30% of the Company's issued share capital, by way of a sale of existing shares by Abdulaziz Al Ajlan Sons for Commercial and Real Estate Investments (Ajlan & Bros), Sulaiman Abdulaziz Al-Rajhi International Company, and the National Agricultural Development Company (NADEC) (collectively, the "**Selling Shareholders**").

¹ FX: US\$ 1.00 = SAR 3.75

Offer Details

- The price range for the Offer Shares has been set between SAR 62 and 66 per share.
- The total Offering size is expected to be between SAR 954 million and 1,016 million (US\$ 255 million and 271 million), implying a market capitalization ranging between SAR 3,182 million and 3,387 million (US\$ 848 million and 903 million).
- The Offering comprises an offer of 15,394,502 ordinary shares, representing 30% of the Company's issued share capital through the sale of existing ordinary shares.
- Following completion of the Offering, the net proceeds of the Offering will be distributed to the Selling Shareholders in proportion to the number of Offer Shares to be sold by each of them. The Company shall not receive any part of the Offering proceeds. The Offer Shares will be listed and traded on the Main Market of the Saudi Exchange following the completion of the IPO.
- With respect to the Offering, the Company has appointed HSBC Saudi Arabia as the Sole Financial Advisor, Global Coordinator, Bookrunner, Underwriter, and Lead Manager (the "**Financial Advisor**" or "**Lead Manager**").
- Alrajhi Bank, Saudi Awwal Bank (SAB), and Banque Saudi Fransi (BSF) have been appointed as Receiving Agents ("**Receiving Agents**").

Eligible Investors

The Offer Shares will be offered for subscription to individual investors ("**Individual Subscribers**") and institutional investors ("**Participating Parties**"), including Participating Parties outside the United States in accordance with Regulation S under the US Securities Act of 1933G, as amended (the "**Securities Act**").

- The Offering is restricted to the following two groups of investors:
 - **Tranche (A): Participating Parties** - This tranche comprises investors eligible to participate in the book-building process in accordance with the Instructions for Book Building Process and Allocation Method in Initial Public Offerings, as issued by the CMA. The number of Offer Shares to be allocated to Participating Parties effectively participating in the book-building process is fifteen million three hundred and ninety-four thousand five hundred and two (15,394,502) ordinary shares, representing (100%) of the total Offer Shares. In the event there is sufficient demand by Individual Investors (as defined under Tranche (B) below), the Lead Manager shall have the right to reduce the number of Offer Shares allocated to Participating Parties to a minimum of thirteen million eight hundred and fifty-five thousand and fifty-two (13,855,052) ordinary shares, representing (90%) of the total Offer Shares. The Financial Advisor, in coordination with the Company, shall determine the number and percentage of Offer Shares to be allocated to Participating Parties.
 - **Tranche (B): Individual Investors** - This tranche includes Saudi Arabian natural persons, including any Saudi female divorcee or widow with minor children from a marriage to a non-Saudi person who can subscribe in her own name or in the names of her minor children, on the condition that she proves that she is a divorcee or widow and the mother of her minor children; and any non-Saudi Arabian natural person who is residing in Saudi Arabia and any national of countries in the Gulf Cooperation Council (the "GCC"), in each case who has a bank account with a Receiving Agent and has the right to open an investment account with a capital market institution (collectively, the "Individual Investors", and each an "Individual Investor"). Subscription by a person in the name of his divorcee shall be deemed invalid. If a transaction of this nature is proved to have occurred, the applicable regulations shall be enforced against such person. If a duplicate subscription is made, the second subscription will be deemed void, and only the first subscription will be accepted. A maximum of one million five hundred and thirty-nine thousand four hundred and fifty (1,539,450) ordinary shares, representing ten percent (10%) of the Offer Shares, shall be allocated to Individual Investors. In the event that the Individual Investors do not subscribe in full for the Offer Shares allocated to them, the Lead Manager may reduce the number of Offer Shares allocated to Individual Investors in proportion to the number of Offer Shares subscribed for thereby.

Offering Timeline

Book-building Period	1 – 5 September 2024G
Determination of the Final Price	11 September 2024G
Retail Subscription Period	18 – 19 September 2024G
Final Allocation of the Offer Shares	26 September 2024G
Refund of Excess Monies	3 October 2024G, latest

For more information on the Offering, please visit Arabian Mills' website www.arabianmills.com/ipo.

---ENDS---

Contact Details

Sole Financial Advisor

HSBC Saudi Arabia

Mohammed Fannouch | Managing Director, Co-Head of Investment Banking

Ramez Halazun | Head of Equity Capital Markets

ArabianMillsIPO@hsbcsa.com

Receiving Agents

Alrajhi Bank

Tel: +966 (11) 828 2515

Website: <https://www.alrajhibank.com.sa>

Email: contactcenter1@alrajhibank.com.sa

Saudi Awwal Bank (SAB)

Tel: 800 124 8888

Website: www.sab.com

Email: sab@sab.com

Banque Saudi Fransi (BSF)

Tel: 920 000 573

Website: www.alfransi.com

Email: Fransiplusadmin@alfransi.com.sa

Communications Advisor

Brunswick Group

Jade Mamarbachi | Partner

Celine Aswad | Director

arabianmills@brunswickgroup.com

Media Inquiries

media@arabianmills.com

arabianmills@brunswickgroup.com

Investor Relations Inquiries

ir@arabianmills.com

DISCLAIMER

NOT FOR RELEASE, DIRECTLY OR INDIRECTLY, IN THE UNITED STATES OF AMERICA, AUSTRALIA, CANADA, JAPAN, NEW ZEALAND, THE REPUBLIC OF SOUTH AFRICA OR ANY OTHER JURISDICTION WHERE TO DO SO WOULD BE UNLAWFUL.

The information contained in this announcement is for background purposes only and does not purport to be full or complete. No reliance may be placed by any person for any purpose of the information contained in this announcement or its accuracy, fairness or completeness. The information in this announcement is subject to change. Neither the Company nor the Financial Advisor or their respective affiliates undertake to provide the recipient of this announcement with any additional information, or to update this announcement or to correct any inaccuracies, and the distribution of this announcement shall not be deemed to be any form of commitment on the part of the Company or the Financial Advisor to proceed with the Offering or any transaction or arrangement referred to therein. The contents of this announcement are not to be construed as legal, financial or tax advice.

The distribution of this announcement may be restricted by law in certain jurisdictions and persons into whose possession any document or other information referred to herein comes should inform themselves about and observe any such restriction. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. This announcement is not for publication or distribution, directly or indirectly, in or into the United States.

This communication does not constitute an "offer of securities to the public" within the meaning of Regulation 2017/1129 of the European Union (the "**Prospectus Regulation**") or the Prospectus Regulation as it forms part of UK domestic law by virtue of the UK European Union (Withdrawal) Act 2018 (as amended and supplemented from time to time) (the "**UK Prospectus Regulation**") of the securities referred to in it (the "**Securities**") in any member state of the European Economic Area (the "**EEA**") or in the United Kingdom. Any offers of the Securities to persons in the EEA or in the United Kingdom will be made pursuant to exemptions under the Prospectus Regulation and the UK Prospectus Regulation, respectively, from the requirement to produce a prospectus for offers of the Securities. The securities referred to herein have not been and will not be registered with the US Securities and Exchange Commission or any other US regulator, and are offered to persons outside the United States in compliance with Regulation S under the US Securities Act of 1933, as amended (the "**Securities Act**"), and may not be offered or sold in the United States unless the securities are registered under the Securities Act, or an exemption from the registration requirements of the Securities Act is available. The issuer of the securities has not registered, and does not intend to register, any portion of the offering in the United States, and does not intend to conduct a public offering of securities in the United States or any other jurisdiction, except for Saudi Arabia. Copies of this announcement are not being, and should not be, distributed, directly or indirectly, in or sent into the United States, and are only being distributed to persons, outside the United States, in compliance with Regulation S of the Securities Act. No money, securities or other consideration is being solicited and, if sent in response to the information contained herein, will not be accepted. These materials shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the securities referred to herein in Australia, Canada, Japan, New Zealand, the Republic of South Africa or any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration, exemption from registration or qualification under the securities laws of any such jurisdiction. In the United Kingdom, this communication is being distributed only to, and is directed only at (a) persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**"), and (b) high net worth entities, and other persons to whom it may otherwise lawfully be communicated, falling within Article 49(2) of the Order (all such persons together being referred to as "**Relevant Persons**"). Any investment or investment activity to which this communication relates is available only to Relevant Persons and will be engaged in only with Relevant Persons. Any person who is not a Relevant Person should not act or rely on this communication or any of its contents.

This announcement is being distributed subject to the provisions of the Rules on the Offer of Securities and Continuing Obligations ("**OSCO Rules**") issued by the CMA, and should not result in any binding undertakings to acquire shares or subscribe in the Offering. This announcement is for information purposes only and under no circumstances shall constitute an offer or invitation, or form the basis for a decision, to invest in any securities of the Company. Neither this announcement nor anything contained herein shall form the basis of, or be relied upon in connection with, any offer

or commitment whatsoever in any jurisdiction. Investors may only subscribe in the Offer Shares on the basis of the CMA approved Arabic language prospectus to be issued and published in due course (the "**Local Prospectus**"). The information in this announcement is subject to change. In accordance with Article 51(d) of the OSCO Rules, copies of the Prospectus will, following publication, be available on the websites of the Company at www.arabianmills.com/ipo, the Saudi Exchange at www.saudiexchange.sa, the CMA at www.cma.org.sa, or the Financial Advisor, Global Coordinator, Lead Manager, Bookrunner, and Underwriter at www.hsbcSaudi.com.

This announcement is not an offer document for the purposes of the OSCO Rules and should not be construed as such. The CMA and the Saudi Exchange do not take any responsibility for the contents of this announcement, do not make any representations as to its accuracy or completeness, and expressly disclaim any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this announcement. The international offering circular prepared in connection with the Offering (the "**International Offering Circular**") is the sole legally binding document containing information about the Company and the Offering outside of KSA. In the event of any discrepancy or incompleteness between this announcement and the Local Prospectus and/or the International Offering Circular, as the case may be, the Local Prospectus and/or the International Offering Circular will prevail.

This announcement may include statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements may be identified by the use of forward-looking terminology, including the terms "aim," "anticipate," "believe," "can," "consider," "could," "estimate," "expect," "forecast," "intend," "may," "ought to," "potential," "plan," "projection," "seek," "should," "will," "would," or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. Any forward-looking statements reflect the Company's current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Company's business, results of operations, financial position, liquidity, prospects, growth or strategies. Many factors could cause the actual results to differ materially from those expressed or implied by any such forward-looking statements or contained in projections, including, among other things, risks specifically related to the Company and its operations, the development of global economic and industry conditions, and the impact of economic, political and social developments in KSA. Forward-looking statements speak only as of the date they are made. Each of the Company and the Financial Advisor and their respective affiliates expressly disclaims any obligation or undertaking to update, review or revise any forward-looking statements contained in this announcement whether as a result of new information, future developments or otherwise.

There is no guarantee that the Offering will occur, and you should not base your investment decisions on the Company's intentions in relation to the Offering. This announcement does not constitute a recommendation concerning the Offering nor any declaration or undertaking by any means. Acquiring Offer Shares to which this announcement relates may expose an investor to a significant risk of losing the entire amount invested.

Persons considering investment should consult an investment advisor or an authorized person specializing in advising on such investments.

The Financial Advisor is acting exclusively for the Company and no-one else in connection with the Offering the Financial Advisor will not regard any other person as their respective client, nor for providing advice in relation to the Offering, the contents of this announcement or any transaction, in relation to the Offering and will not be responsible to anyone other than the Company for providing the protections afforded to their respective clients, arrangement or other matter referred to herein.

The contents of this announcement have been prepared by and are the sole responsibility of the Company. Neither the Financial Advisor or any of its respective affiliates, directors, officers, employees, advisers or agents accepts any responsibility or liability whatsoever for or makes any representation or warranty, express or implied, as to the truth,

accuracy or completeness of the information in this announcement (or whether any information has been omitted from the announcement) or any other information relating to the Company, its subsidiaries or associated companies, whether written, oral or in a visual or electronic form, and howsoever transmitted or made available or for any loss howsoever arising from any use of this announcement or its contents or otherwise arising in connection therewith.

In connection with the Offering, the Financial Advisor and its affiliates, may take up a portion of the Offer Shares in connection with the Offering as a principal position and in that capacity may retain, purchase, sell, offer to sell for their own accounts such Offer Shares and other securities of the Company or related investments in connection with the Offering or otherwise.

References in the Local Prospectus or the International Offering Circular, once published, to the Company's shares being issued, offered, subscribed, acquired, placed or otherwise dealt in should be read as including any issue or offer to, or subscription, acquisition, placing or dealing by, the Financial Advisor and any of its affiliates acting in such capacity. In addition, the Financial Advisor and any of its affiliates may enter into financing arrangements (including swaps or contracts for difference) with investors in connection with which the Financial Advisor and any of its affiliates may from time to time, acquire, hold or dispose of securities. The Financial Advisor do not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligations to do so.